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**ECOTRUST FOREST MANAGEMENT, EQUATOR, AND NEW FORESTS  
ANNOUNCE FIRST OF ITS KIND FOREST CARBON TRANSACTION**

**Leading Northwest Forest Landowners Poised to Tap New Environmental Market**

PORTLAND, Ore., March 19, 2010 – Ecotrust Forest Management, Inc., Equator, LLC, and New Forests, Inc. today announced a unique carbon transaction under the Climate Action Reserve's (CAR) new Forest Project Protocol. Under the terms of the deal, forest carbon credits generated from Ecotrust Forest Management's 3,276-acre Sooes property in the Olympic Peninsula will be purchased by the Eco Products Fund (EPF), a private equity vehicle co-managed by Equator LLC and New Forests. The project is expected to generate hundreds of thousands of carbon credits over a 100-year lifespan.

The transaction is unique in that it is the first improved forest management (IFM) project listed to utilize the CAR protocol's national scope. It is the first IFM project to be listed with CAR outside of California and the first in the Pacific Northwest. Emerging high-quality and comprehensive protocols such as those from CAR and the Voluntary Carbon Standard (VCS) promise to fuel the rapid growth of carbon transactions throughout the United States. National carbon protocols are also shaping possible cap-and-trade markets currently under consideration by Congress.

"Ecotrust Forests and the Eco Products Fund share a strong commitment to developing high-quality forest carbon and other ecosystem service markets to better align the financial needs of private land managers with society's interest in reducing emissions, increasing forest cover, and reducing conversion of forests for other uses," said Ecotrust Forest Management CEO Bettina von Hagen. "We hope that our project inspires similar efforts everywhere."

"We are extremely pleased to work with Ecotrust Forest Management on this deal," said Gerrity Lansing, CEO of Equator LLC. "Ecotrust Forest Management is on the leading edge when it comes to showing that ecological forest management can provide commercial returns by monetizing ecosystem services such as carbon."

The carbon credits sold in this transaction is generated through extending rotations, expanding riparian buffers, establishing reserves to protect unique features, and reducing harvest on steep slopes above and beyond the standards required by regulations. These strategies are designed not only to generate forest carbon credits, but also to enhance riparian and terrestrial habitat for threatened and endangered species such as Pacific salmon, the northern spotted owl and marbled murrelets. Pacific Northwest forests such as Sooes which are dominated by long-lived species such as Douglas fir, Sitka spruce, western hemlock and western red cedar have the ability to sequester more carbon than almost any other terrestrial ecosystem.

“Step by step a new model of forestry is materializing based on the value of the ecosystems themselves, as well as the timber they produce,” said David Brand, Managing Director of New Forests. “Ecotrust Forest Management is a leader in this new approach to forestry in the Pacific Northwest, and we are delighted to be able to support the monetization of the carbon value of these forests.”

### **About Ecotrust Forest Management**

Ecotrust Forest Management, a for-profit forestland investment management and advisory company, was created by the non-profit Ecotrust in 2005 to purchase and manage forestland in the region on behalf of investors. The company’s goal is to improve forest health, productivity, diversity, and structural complexity, while managing for high-quality timber and monetizing ecosystem services such as carbon storage, habitat, and water quality resulting from our management. EFM believes these strategies reduce risks associated with cyclical markets and climate change by diversifying revenue sources and increasing forest health and resilience. Creating jobs and opportunities for local people is a key priority. One of Ecotrust Forests’ acquisition criteria is to locate forests in areas of economic distress, where our investment and management can provide jobs and opportunities for local residents. Ecotrust Forest Management is certified by the Forest Stewardship Council as a Resource Manager. More online at [www.ecotrustforests.com](http://www.ecotrustforests.com).

### **About The EcoProducts Fund**

The Eco Products Fund, LP (EPF) is a private equity fund jointly managed by Equator, LLC and New Forests Inc. EPF invests in a portfolio of ecosystem based instruments associated

with wetlands and endangered species conservation, forest and land based carbon sequestration, and water quality improvements in the United States and internationally. Equator LLC ([www.equatorllc.com](http://www.equatorllc.com)), headquartered in New York, is a leading asset management firm focused on investments in forest carbon, sustainable timberland and ecosystem services instruments. Equator specializes in the generation and management of high quality carbon credits and environmental assets derived from reforestation, forest conservation, sustainable land management and other emission reduction projects. New Forests ([www.newforests.com.au](http://www.newforests.com.au)) manages investments in timberland and associated eco products, such as carbon, biodiversity and water, for institutional and private equity clients. The company is headquartered in Sydney, Australia, with offices in Washington, D.C., San Francisco and Kota Kinabalu, Malaysia.

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